

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2476-01
Bill No.: HB 1029
Subject: Crimes and Punishment; Drugs and Controlled Substances; Pharmacy
Type: Original
Date: January 14, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue Fund	Less than (\$100,000)	Less than (\$100,000)	Less than (\$100,000)
Total Estimated Net Effect on <u>All</u> State Funds	Less than (\$100,000)	Less than (\$100,000)	Less than (\$100,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services, Office of Attorney General, Department of Public Safety – State Highway Patrol, and the Department of Economic Development – Division of Professional Registration** assume assumes the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Office of Prosecution Services** assume the proposed legislation creates a new crime and could increase the caseloads of prosecutors. The fiscal impact of the increase should be below \$100,000. However, passage of numerous bills creating new crimes could have a fiscal impact.

Oversight assumes the Office of Prosecution Services could absorb the cost within existing resources.

Officials from the **Office of State Public Defender** assume, for the purpose of this proposed legislation, that existing staff could provide representation for those few cases arising where indigent persons were charged with tampering with pharmaceuticals. However, passage of more than one bill increasing penalties on existing crimes or creating new crimes would require the State Public Defender System to request the increased appropriations to cover the cumulative cost of representing indigent persons accused in the now more serious cases or in the new additional cases.

Officials from the **Department of Corrections (DOC)** assume they cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY 01 average of \$35.78 per inmate per day, or an annual cost of \$13,060 per inmate) or through supervision provided by the Board of Probation and Parole (FY 01 average of \$3.34 per offender per day, or an annual cost of \$1,219 per offender).

The DOC is unable to determine the number of people who would be convicted under the provisions of this bill and, therefore, the number of additional inmate beds that may be required

as a consequence of passage of this proposal. Estimated construction cost for one new medium ASSUMPTION (continued)

to maximum security inmate bed is \$55,000. Utilizing this per-bed cost provides for a conservative estimate by the DOC, as facility start-up costs are not included and entire facilities and/or housing units would have to be constructed to cover the cost of housing new commitments resulting from the cumulative effect of various new legislation, if adopted as statute.

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Eight (8) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, DOC assumes the impact would be less than \$100,000 per year.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Costs – Department of Corrections</u> Incarceration/Probation costs	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The proposed legislation creates the crime of tampering with pharmaceuticals. Tampering with pharmaceuticals would include intentionally diluting a pharmaceutical without the consent of the doctor who prescribed it and dispensing it with the knowledge that the dilution may impair its effectiveness or intentionally misrepresenting a diluted pharmaceutical as being undiluted.

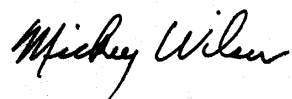
Tampering with pharmaceuticals would be a class B felony. If death or serious injury occurs as a result of tampering with a pharmaceutical, it would be a class A felony.

DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Office of State Courts Administrator
Department of Economic Development
 – Division of Professional Registration
Office of Prosecution Services
Office of State Public Defender
Department of Public Safety
 – State Highway Patrol
Office of Attorney General
Department of Corrections



Mickey Wilson, CPA
Acting Director

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